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- (2) The State must pay half our additional cost caused by providing any information that we collect for Medicaid purposes and by any other services directly related to making Medicaid eligibility determinations.
- (3) The State must pay our full additional cost for statistical or other studies and any other services that are not directly related to making Medicaid eligibility determinations.
- (b) States without Medicaid eligibility determination agreement. A State with which we do not have an agreement to make Medicaid eligibility determinations is charged in the following manner:
- (1) If providing basic SSI application information causes us additional cost, the State must pay our full additional cost.
- (2) The State must pay our full additional cost caused by providing any information that we collect for Medicaid purposes and for statistical or other studies and any other services.

§416.2166 Changing the agreement.

The State and we can agree in writing to change the agreement at any time.

§416.2171 Duration of agreement.

An agreement under this subpart is automatically renewed for 1 year at the end of the term stated in the agreement and again at the end of each 1-year renewal term. unless—

- (a) The State and we agree in writing to end it at any time;
- (b) Either the State or we end it at any time without the other's consent by giving written notice at least 90 days before the end of a term, or 120 days before any other ending date selected by whoever wants to end the agreement; or
- (c)(1) The State fails to pay our costs as agreed;
- (2) We notify the State in writing, at least 30 days before the ending date we select, why we intend to end the agreement; and
- (3) The State does not give a good reason for keeping the agreement in force beyond the ending date we selected. If the State does provide a good reason, the termination will be post-

poned or the agreement will be kept in force until the end of the term.

§ 416.2176 Disagreements between a State and us.

- (a) If a State with which we have an agreement under this subpart and we are unable to agree about any question of performance under the agreement, the State may appeal the question to the Commissioner of Social Security. The Commissioner or his or her designee will, within 90 days after receiving the State's appeal, give the State either a written decision or a written explanation of why a decision cannot be made within 90 days, what is needed before a decision can be made, and when a decision is expected to be made.
- (b) The Commissioner's decision will be the final decision of the Social Security Administration.

[53 FR 12941, Apr. 20, 1988, as amended at 62 FR 38456, July 18, 1997]

Subpart V—Payments for Vocational Rehabilitation Services

AUTHORITY: Secs. 702(a)(5), 1615, 1631(d)(1) and (e), and 1633(a) of the Social Security Act (42 U.S.C. 902(a)(5), 1382d, 1383(d)(1) and (e), and 1383b(a)).

SOURCE: 48 FR 6297, Feb. 10, 1983, unless otherwise noted.

GENERAL PROVISIONS

§416.2201 General.

In general, sections 1615(d) and (e) of the Social Security Act (the Act) authorize payment from the general fund for the reasonable and necessary costs of vocational rehabilitation (VR) services provided certain disabled or blind individuals who are eligible for supplemental security income (SSI) benefits, special SSI eligibility status, or federally administered State supplementary payments. In this subpart, such benefits, status, or payments are referred to as disability or blindness benefits (see §416.2203). Subject to the provisions of this subpart, payment may be made for VR services provided an individual during a month(s) for which the individual is eligible for disability or blindness benefits, including the continuation of such benefits under section 1631(a)(6) of the Act, or for which the individual's

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disability or blindness benefits are suspended (see §416.2215). Paragraphs (a) and (b) of this section describe the cases in which the State VR agencies and alternate participants can be paid for the VR services provided such an individual under this subpart. The purpose of sections 1615(d) and (e) of the Act is to make VR services more readily available to disabled or blind individuals and ensure that savings accrue to the general fund. Payment will be made for VR services provided on behalf of such an individual in cases where—

- (a) The furnishing of the VR services results in the individual's completion of a continuous 9-month period of substantial gainful activity (SGA) as specified in §§ 416.2210 through 416.2211; or
- (b) The individual continues to receive disability or blindness benefits, even though his or her disability or blindness has ceased, under section 1631(a)(6) of the Act because of his or her continued participation in an approved VR program which we have determined will increase the likelihood that he or she will not return to the disability or blindness rolls (see § 416.2212).

 $[68~{\rm FR}~40124,~{\rm July}~7,~2003]$

§416.2202 Purpose and scope.

This subpart describes the rules under which the Commissioner will pay the State VR agencies or alternate participants for VR services. Payment will be provided for VR services provided on behalf of disabled or blind individuals under one or more of the provisions discussed in § 416.2201.

- (a) Sections 416.2201 through 416.2203 describe the purpose of these regulations and the meaning of terms we frequently use in them.
- (b) Section 416.2204 explains how State VR agencies or alternate participants may participate in the payment program under this subpart.
- (c) Section 416.2206 describes the basic qualifications for alternate participants.
- (d) Sections 416.2208 through 416.2209 describe the requirements and conditions under which we will pay a State VR agency or alternate participant under this subpart.

- (e) Sections 416.2210 through 416.2211 describe when an individual has completed a continuous period of SGA and when VR services will be considered to have contributed to that period.
- (f) Section 416.2212 describes when payment will be made to a VR agency or alternate participant because an individual's disability or blindness benefits are continued based on his or her participation in a VR program which we have determined will increase the likelihood that he or she will not return to the disability rolls.
- (g) Sections 416.2214 through 416.2215 describe services for which payment will be made.
- (h) Section 416.2216 describes the filing deadlines for claims for payment for VR services.
- (i) Section 416.2217 describes the payment conditions.
- (j) Section 416.2218 describes the applicability of these regulations to alternate participants.
- (k) Section 416.2219 describes how we will make payment to State VR agencies or alternate participants for rehabilitation services.
- (1) Sections 416.2220 and 416.2221 describe the audits and the prepayment and postpayment validation reviews we will conduct.
- (m) Section 416.2222 discusses confidentiality of information and records.
- (n) Section 416.2223 provides for the applicability of other Federal laws and regulations.
- (o) Section 416.2227 provides for the resolution of disputes.

[48 FR 6297, Feb. 10, 1983, as amended at 55 FR 8456, Mar. 8, 1990; 59 FR 11916, Mar. 15, 1994; 62 FR 38456, July 18, 1997; 68 FR 40124, July 7, 2003]

§ 416.2203 Definitions.

For purposes of this subpart:

Accept the recipient as a client for VR services means that the State VR agency determines that the individual is eligible for VR services and places the individual into an active caseload status for development of an individualized written rehabilitation program.

Act means the Social Security Act, as amended.

Alternate participants means any public or private agencies (except participating State VR agencies (see